
 Message

From: Hassell, Emily [hassell.emily@epa.gov]
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Subject: News Clips - 29 March 2018

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Politico

<https://www.politicopro.com/energy/whiteboard/2018/03/california-regulator-gets-meeting-with-epa-air-chief-ahead-of-expected-battle-over-car-rules-911863>

California regulator gets meeting with EPA air chief ahead of expected battle over car rules

By Alex Guillen, 3/28/18, 5:15 PM

EPA air chief Bill Wehrum and California Air Resources Board Chairwoman Mary Nichols met on Tuesday, just days before EPA is expected to announce controversial plans to revise auto emissions standards, according to a CARB spokesman.

The spokesman declined to share any details about their discussion. Nichols, coincidentally, held Wehrum's job for part of the Clinton administration.

EPA Administrator Scott Pruitt is also in California this week, but did not meet with Nichols. According to an EPA press release, Pruitt toured the March Air Force Base Superfund in Riverside, as well as an almond processing facility. He also attended discussions with farmers alongside Republican congressmen.

EPA and California have been in talks since President Donald Trump a year ago directed EPA to revisit the standards for model years 2022-2025. The state previously said it was willing to negotiate potential changes if EPA would commit to setting new goals for cars through 2030. It is not clear that those talks ever gained any traction, and state officials have said they are willing and able to defend the stricter standards.

A CARB spokesman said last week that EPA's expected decision could place the single national standard in jeopardy.

WHAT'S NEXT: EPA is expected to announce by next week that it will explore ways to relax vehicle emissions rules for model year 2022-2025. The move likely will provoke an extended battle with California, which gets special treatment under the Clean Air Act to pursue tougher rules.

E&E Climatewire

<https://www.eenews.net/climatewire/stories/1060077709/search?keyword=EPA>

Wehrum, Nichols huddle ahead of high-stakes auto decision

By Camille von Kaenel, 3/29/18

Top officials from U.S. EPA and California met face to face this week as the agency and the Golden State appear ready to brawl over climate rules for cars.

Bill Wehrum, EPA's air chief, met with Mary Nichols, the chairwoman of the California Air Resources Board, on Tuesday in California, according to ARB spokesman Stanley Young. It was the latest in a series of meetings to negotiate changes to Obama-era targets for limits on greenhouse gas emissions from cars made from 2022 to 2025.

California has had no input into the Trump administration's document explaining EPA's intent to reverse course on the Obama targets, Young said, and the Wehrum meeting this week did not change that. The draft decision is under review at the Office of Management and Budget. The administration is facing an April 1 deadline to make its decision, and the document is expected to be released publicly by next week.

EPA is expected to decide that the Obama-era targets for 2022 to 2025 are "inappropriate" and propose revisions in the months to come, according to people familiar with the draft decision. That would force a split with California, which has vowed to use its special "waiver" authority under the Clean Air Act and require cars meet the Obama rules in 13 states that have signed on to its program. The fight could lead to a drawn-out legal battle over states' rights and environmental protection.

"We are troubled about the rumors that the EPA has found the standards to be too aggressive and that they need to be weakened," said Young. "We have not seen the document in question."

Wehrum has tried to strike a conciliatory tone, participating in talks with California. EPA Administrator Scott Pruitt has had tougher words for the state. He told Bloomberg that California should not "dictate" car rules to the rest of the country and that it is not the "arbiter" of the issues. Some saw that as a threat to California's waiver.

Pruitt was also in the Golden State yesterday. He did not hold a meeting with Nichols.

Yesterday, Pruitt toured the March Air Force Base Superfund site and a major almond processing facility in Turlock. He also talked with farmers, according to EPA. The agency said the visit was part of his effort to repeal and replace the Obama-era Waters of the U.S. rule.

Conservatives want waiver repealed

Meanwhile, the battle of the vehicle rules is heating up. A group of 11 conservative groups urged Pruitt to repeal California's Clean Air Act waiver in a letter yesterday.

The letter argues that the White House should pre-empt California because the Energy Policy and Conservation Act makes setting fuel economy targets the job of the federal government. It also complains that California is using its Clean Air Act waiver to replace gasoline-powered vehicles with electric ones and channeling taxpayer money toward that goal.

"The American people deserve better, and, if you do not act fast, come April 1, people across the state of California will be facing unrealistic and costly mandates which threaten their basic right to choose," the letter says.

The signatories of the letter include representatives from the American Consumer Institute, Less Government, the Taxpayers Protection Alliance, Consumer Action for a Strong Economy, American Commitment, FreedomWorks, the Competitive Enterprise Institute, Americans for Tax Reform, the 60 Plus Association, Frontiers of Freedom, and the Center for Freedom and Prosperity.

Washington Examiner

<https://www.washingtonexaminer.com/policy/energy/conservative-groups-urge-scott-pruitt-to-block-california-from-setting-own-car-pollution-rules>

Conservative groups urge Scott Pruitt to block California from setting own car pollution rules

By Josh Siegel, 3/28/18, 5:53 PM

A coalition of conservative groups urged Environmental Protection Agency Administrator Scott Pruitt on Wednesday to revoke California's ability to set its own strict fuel-efficiency standards for vehicles.

"The EPA has a responsibility to American citizens, but not one to promote solutions that require expensive taxpayer-funded infrastructure spending and subsidies, particularly at questionable environmental gains," the groups wrote in a letter to Pruitt. "The American people deserve better, and if you do not act fast, come April 1, people across the state of California will be facing unrealistic and costly mandates which threaten their basic right to choose."

The 11 groups on the letter include the Competitive Enterprise Institute, FreedomWorks, and Americans for Tax Reform.

The EPA is expected to say this week that the Obama administration's rules on fuel economy for cars and light-duty trucks, such as pickups and sport utility vehicles, must be revised for model years 2022-2025, although the agency won't immediately propose new requirements.

The EPA under Pruitt has long been expected to ease the rules, negotiated with the auto industry in 2011, that would require automakers to nearly double the average fuel economy of new cars and trucks to 54.5 miles per gallon by 2025.

California Attorney General Xavier Becerra, a Democrat, said Tuesday he is prepared to sue the EPA if it begins relaxing the fuel efficiency standards. California is a leader on combating human-induced carbon emissions that contribute to climate change. The state is the nation's largest market for zero-emission, electric vehicles.

Federal law since 1967 has allowed California, because of severe air pollution problems caused by smog, to set its own fuel efficiency regulations that can be tougher than the national standards. Other states can follow California's standards instead of the national rules. Those states account for about one-third of the U.S. auto market.

California could move to formally separate its rules from the national program if EPA weakens the standards.

That means California and other states that follow its tougher rules would require automakers operating in those states to follow the more stringent state regulations, even if the EPA weakens the national standard, creating a patchwork of regulations.

Pruitt told Bloomberg this month that "California is not the arbiter of these issues" and suggested the state should comply with the national standards.

He can revoke California's waiver to get it to follow whatever new rules he tries to establish, but that has never been done before.

"No waiver has ever been revoked, and it's not clear exactly what the process would be to do that, which poses an entirely different challenge we haven't seen before," Dave Cooke, a senior vehicle analyst at the Union of Concerned Scientists, told the Washington Examiner.

Washington Examiner

<https://www.washingtonexaminer.com/policy/energy/epa-pressed-to-slow-down-on-rolling-back-obama-era-vehicle-fuel-standards>

EPA pressed to slow down on rolling back Obama-era vehicle fuel standards

By Josh Siegel, 3/28/18, 5:07 PM

Global automakers and advocates are warning the Environmental Protection Agency to slow down as it prepares to declare that stricter President Barack Obama-era fuel-efficiency rules for vehicles are "not appropriate."

Top executives at Ford Motor Co., in anticipation of the EPA's decision, urged the Trump administration on Tuesday to not roll back the Obama standards, which would require automakers to nearly double the average fuel economy of new cars and trucks to 54.5 miles per gallon by 2025. The company encouraged the agency to preserve one national program vehicle emissions program by not revoking California's waiver that allows the state to adopt stricter efficiency standards.

Automakers worry that if the national rules are significantly weaker than state standards, they would face a patchwork of regulations, creating uncertainty.

"We support increasing clean car standards through 2025 and are not asking for a rollback," said Ford Executive Chairman Bill Ford and CEO Jim Hackett, in an op-ed published on Medium. "We want one set of standards nationally, along with additional flexibility to help us provide more affordable options for our customers."

That careful wording follows the rhetoric used by other automakers that have called for more flexibility than what the Obama administration set for 2025, but are still seeking an overall increase in efficiency standards from current and previous levels.

Robbie Diamond, president and CEO of Securing America's Future Energy, told the Washington Examiner he hopes EPA takes steps to begin broader negotiations with California, rather than declaring an intent to weaken the standards.

His group is a nonprofit that seeks to reduce the U.S.' demand for oil through improved vehicle efficiency.

"We are sort of in the opening moments in a prize fight," Diamond said. "The fighters have not entered the ring, everyone is talking and laying out positions, and we hope when the EPA makes their statement, it leaves room to continue the discussion. We are asking the administration to overlook ideology and reach an agreement with California."

The EPA is expected to say this week that the Obama administration's fuel-economy rules for cars and light-duty trucks, such as pickups and sport utility vehicles, must be revised for model years 2022 to 2025, although the agency won't immediately propose new requirements.

California, which can set its own fuel-efficiency standards that other states may follow, could move to formally separate its rules from the national program if EPA weakens the standards.

The state's attorney general, Xavier Becerra, a Democrat, said Tuesday he is prepared to sue the EPA if it relaxes the fuel efficiency standards. California is the nation's largest market for zero-emission electric vehicles, and is aiming to reduce its carbon dioxide emissions by 40 percent by 2030.

"Basically, right now, the states and federal program are aligned," said Dave Cooke, a senior vehicle analyst at the Union of Concerned Scientists. "If the federal government moves to change the standards, California and the states that follow them are no longer going to accept compliance with a program that is different from their own."

The Obama administration, seeking to cut greenhouse-gas emissions from oil, set the 2022 to 2025 efficiency standards in 2011 with the support of automakers, which were involved in the negotiations.

The rules required the EPA to conduct a midterm evaluation of whether the market could still meet the standards.

It did so in 2016, before the Trump administration took over, and determined that the standards remained attainable.

Automobile trade associations complained the comment period for the midterm review had been rushed and that the requirements were too strict.

With relatively low fuel prices, less fuel-efficient SUVs and light trucks have continued their strong sales, while consumer demand for hybrid-electric and more fuel-efficient models has suffered, so manufacturers are having difficulty hitting the fuel-efficiency targets, automakers say.

"If electric vehicle sales went up much higher, and gas prices were higher, automakers would be well positioned to meet the higher standards," Gloria Bergquist, vice president of public affairs at the Alliance of Automobile Manufacturers, told the Washington Examiner.

The Trump administration this week proposed revoking an Obama-era rule that increased penalties for automakers that violate fuel efficiency standards by more than 150 percent.

The auto industry had petitioned for scrapping the rule, arguing that it would cost more than \$1 billion to comply.

But Bergquist tried to downplay expectations that EPA Administrator Scott Pruitt may significantly weaken the fuel efficiency standards.

"It's about the process, not about the standards," Bergquist said. "We keep saying don't pre-judge what the standards are going to be under the Trump administration."

Bergquist said the auto alliance, which represents 12 of the largest car manufacturers, remains "optimistic" that California and the EPA can reach an agreement.

"We still believe if California really wants to reduce greenhouse gas emissions to the maximum possible level, it would come to the table and have discussions and look at what consumers are buying and what's realistic," Bergquist said.

To come to an agreement, the EPA could propose tougher rules for 2026 to 2030, as carmakers adapt to technological changes, in exchange for weakening the standards for the 2022 to 2025 vehicles.

Pruitt, however, recently dismissed that possibility, saying, "That's not something we're terribly focused on right now."

He told Bloomberg that, "California is not the arbiter of these issues," and suggested the state should comply with the national standards.

He can revoke California's waiver to get it to follow whatever new rules he tries to establish, but that has never been done before.

"No waiver has ever been revoked, and it's not clear exactly what the process would be to do that, which poses an entirely different challenge we haven't seen before," Cooke said.

Other advocates said the onus is on the EPA to compromise with California.

"The federal government can take away California's waiver, and then we all just go to court. And by going to court, the auto industry will have an uncertain regulatory environment when it is already dealing with technological uncertainty, which would be bad for consumers, our environment, and national security," Diamond said.

The Conversation

<https://theconversation.com/why-epas-u-turn-on-auto-efficiency-rules-gives-china-the-upper-hand-93840>

Why EPA's U-turn on auto efficiency rules gives China the upper hand

By Greg Dotson, 3/29/18, 6:30 AM

The Trump administration is poised to ease pollution and efficiency rules for new passenger cars and trucks, giving automakers a reprieve from more stringent Obama-era standards. But in the process, it could yield global leadership in the auto sector to the Chinese.

Environmental Protection Agency Administrator Scott Pruitt is expected to announce a plan to relax existing tailpipe standards that apply through 2025, scrapping the previous target of an average of 36 miles per gallon. Pruitt is also expected to deny the state of California its historic ability to adopt tailpipe standards that are more ambitious than the federal government's.

One might think of this as another case of industry versus environmentalists. After all, the automakers are calling for eased regulatory burdens and "harmonized" standards across the states and the federal government. Environmentalists decry the move as undermining our nation's efforts to cut carbon pollution.

But the EPA's expected proposal defies the simple narrative that businesses and environmentalists are butting heads. Over the last half century, tailpipe emissions rules have helped the nation develop a vibrant, globally competitive automotive sector. As a former senior energy congressional staffer and now a law professor, I have learned that well-designed environmental standards can spur innovation and give our domestic companies a "first-mover advantage."

As a policy professional, I met countless times over two decades with car makers, their suppliers, technologists, environmental advocates and entrepreneurs. In my view, reversing course on the EPA's tailpipe standards threatens to yield this competitive advantage to other nations.

Parts suppliers versus car makers

Some segments of the auto industry understand the importance of emissions standards. A recent survey done on behalf of a clean transportation industry group found that 95 percent of auto parts suppliers agreed that more ambitious standards encourage innovation and investment in the U.S.

These companies overwhelmingly want the EPA standards maintained or even strengthened and are letting policymakers know that any relaxation will cost U.S. manufacturing jobs. Suppliers of pollution control technologies have told the EPA that weakening the standards could strand current investments and jeopardize new investments in domestic manufacturing of clean car technologies.

These parts suppliers employ hundreds of thousands of workers and their market is expected to grow to US\$23 billion by the end of the decade. In their own words, the industry group Manufacturers of Emission Controls Association said its members continue “to grow and add more jobs in response to environmental regulations.” In 2017 alone, these manufacturers invested over \$3 billion in developing technologies that reduce emissions from mobile sources.

Developed and made in America

The landmark Clean Air Act, passed in 1970 and strengthened in 1990, has two key policy features that have spurred innovation and economic activity in the auto manufacturing sector.

First, the act says that EPA standards for cars and trucks take effect after the period “necessary to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.” This even-handed approach ensures that the auto manufacturers have the time they need to develop pollution control technology, and that the EPA can set standards stringent enough to require the development and deployment of new technology.

This “technology-forcing” approach has brought innovation to an industry that hasn’t always embraced it – from the industry’s well-known resistance to catalytic converters decades ago to today’s reluctance to adopt available technology to improve the efficiency of conventional internal combustion engines.

Second, Congress has preserved the ability of California to set its own tailpipe standards – an authority the state has exercised since before the EPA was created in 1970. Other states may opt-in. In the case of California’s greenhouse gas standards for cars and trucks, 13 states have decided to do so, creating a combined market pull of approximately 30 percent of the nation’s annual new passenger car and truck sales.

The world can then follow. This “California effect” occurs as jurisdictions within and outside of the United States trade up to more stringent emissions standards to achieve their benefits and simplify compliance.

Under this virtuous cycle, the U.S. leads with tougher standards that drive research, technology development, commercialization and manufacturing. That technology is then sold to the world.

California vs. China

China, however, is leap-frogging the U.S. policy.

In 2010, the Chinese government designated “new energy vehicles” – essentially those that plug in to electrical outlets – as a “strategic emerging industry.” Officials have done this not only to reduce urban smog but also as a tool for industrial development. It helps Chinese industry capture domestic market share while establishing Chinese automakers as global leaders in the technology; it also develops their domestic battery-making sector.

California also requires automakers to supply a growing number of plug-in vehicles. But that program, which has seemed ambitious domestically and has shared goals and approaches with China, simply is not at the same scale as China’s.

This has created an opportunity that China seeks to capitalize on in the coming decades. China’s recently adopted goals for plug-in vehicles overtake California’s program by requiring an aggressive deployment of plug-in vehicles beginning in

2019 with a target of 7 million new plug-in cars sold per year by 2025. The Chinese government is even openly discussing the appropriate date to discontinue sales of internal combustion engine vehicles within China.

By comparison, automakers will be able to comply with California's zero emission vehicle requirement if just 8 percent of new cars sold in 2025 are electric. If 2 million new cars continue to be sold in California in 2025, that would amount to just 160,000 electric vehicle sales annually.

China's policies are being reflected in corporate decisions. Even as Daimler teams with a Chinese partner to invest \$2 billion in a manufacturing plant in China, Chinese automaker Geely has accumulated nearly 10 percent of Daimler's stock reportedly in a bid to secure its electric and autonomous vehicle technology. Ford has committed to a \$765 million investment to jointly build electric vehicles with a Chinese partner.

Given the essential need to reduce carbon pollution from the transportation sector, I see the policy rationale for fuel efficiency and pollution reduction mandates in the years to come as ironclad.

From an economic point of view, clean car technology represents a tremendous opportunity for the nation willing to step up and lead as the world transitions in the decades to come. While it may still be an open question as to which country will benefit the most from this transition, the forthcoming EPA decisions could tilt the playing board away from U.S. companies.

The Hill

<http://thehill.com/policy/energy-environment/380693-trump-administration-picks-new-fight-with-california>

Trump administration picks new fight with California

By Miranda Green and Timothy Cama, 3/28/18, 3:47 PM

The Trump administration is picking a new fight with California, this time over global warming and emissions standards for cars.

Environmental Protection Agency (EPA) Administrator Scott Pruitt is expected this week to declare that having the nation's auto fleet meet an average 54.5 mpg standard by 2025 is too strict, two people familiar with the matter confirmed to The Hill.

The decision could have huge ramifications for California, which negotiated the target with the Obama administration in 2011 after winning a waiver from the Clean Air Act to impose its own in-state fuel economy standards.

If Pruitt decides the standard is too high, the EPA is likely to lower the target and could even seek to eliminate California's waiver.

In California, the fight is seen as just the latest attack on a state that prides itself as ground zero for resistance to President Trump ever since Democratic nominee Hillary Clinton defeated Trump there by more than 4 million votes.

"The Trump administration certainly is looking for every opportunity to stick to it California," Rep. Jared Huffman (D-Calif.) told The Hill Wednesday.

California is seeking to reduce its carbon dioxide emissions by 40 percent by 2030, a goal that would be in jeopardy if it cannot hold cars to a high fuel standard.

"You're really attacking California's environmental identity," said Ann Carlson, a professor of environmental law at the UCLA.

California in the 20th century witnessed firsthand the negative effects of air pollution through crippling smog. High vehicle emissions paired with the state's unique geography consistently rank it atop the list of states with the worst air quality.

Since the administration announced formally in August that the EPA was considering rewriting the rule for cars and light trucks made between 2021 and 2025, California representatives have taken a wait-and-see approach. But in the lead up to the decision's deadline on Sunday, Golden State representatives are starting to take a combative stance.

"We are troubled about the rumors that the EPA has found the standards to be too aggressive and that they need to be weakened," said Stanley Young, spokesman for the California Air Resources Board, the state agency responsible for emissions rules. "We feel strongly that weakening the program will waste fuel, increase emissions, and cost consumers more money."

The fight over emission standards would be just the latest battle between Trump and California, where the president's policies on immigration in particular have prompted Attorney General Jeff Sessions to warn that there is "no secession" from the United States.

On Monday night, Commerce Secretary Wilbur Ross's decision to add a question about legal residence to the 2020 census sparked new talk of a lawsuit from California Attorney General Xavier Becerra (D), who has already launched dozens of legal challenges against the administration.

Becerra said California is prepared to sue if the EPA moves to weaken the vehicle emissions standards.

"We are going to do everything that can be done to defend these standards," Becerra told Reuters Tuesday. "So far, when we have been challenged on environmental standards we have had a good record in court. We haven't lost a case."

Pruitt has taken a combative approach, arguing the Obama administration gave California too much say in the standards.

"California is not the arbiter of these issues," Pruitt told Bloomberg News this month, adding that it "shouldn't and can't dictate to the rest of the country what these levels are going to be."

If California were allowed to target a higher fuel efficiency standard than the rest of the country, it would create real problems for automakers that would prefer one national standard.

It's also likely that other states would follow California's lead.

Twelve states currently follow California's rules on greenhouse gases from cars. Together, the bloc amounts for about a third of the nation's car market.

Companies don't want to be left with the choice of either making different vehicles for different states or letting California set the de facto national rules.

"That might mean that certain vehicles can't be sold in California," said Gloria Bergquist, spokeswoman for the Auto Alliance.

Bergquist argued that retaining one standard for the whole country is "better for everyone."

Andrew Linhardt, the Sierra Club's deputy director for clean transportation, said the EPA's biggest challenge in arguing to change the fuel efficiency standards will be in showing that doing so is legal.

The Clean Air Act requires the EPA to grant California a waiver if the state has “compelling and extraordinary circumstances,” which the Obama administration said it does. A change of course would require the EPA to demonstrate that the circumstances are no longer there.

“[California] has always said they’d be willing to look at new data, but that data doesn’t exist and EPA knows that,” Linhardt said. “Again they would have to directly contradict previously findings that they did less than two years ago. The automakers had huge amounts of input into that. It’s hard for me to foresee where that technical data would be coming from.”

Carlson expects California to sue if the EPA revokes its waiver, and the case is likely to get appealed all the way to the Supreme Court.

“The really important substantive question is, does California have ‘compelling and extraordinary circumstances’ to issue standards that are more stringent than the federal government’s,” she said.

Becerra said the law is on California’s side.

“Threats are par for the course for California in this administration,” he told reporters last month. “At the end of the day, they can threaten. But what they can do under the law is something else.”

Reuters

<https://www.reuters.com/article/us-autos-emissions-octane/u-s-high-octane-gasoline-demand-may-drop-if-fuel-efficiency-rules-change-idUSKBN1H434U>

U.S. high-octane gasoline demand may drop if fuel efficiency rules change

By Stephanie Kelly, 3/28/18, 4:27 PM

NEW YORK (Reuters) - U.S. demand for high octane gasoline could decline if the Environmental Protection Agency (EPA) changes fuel efficiency rules established under the Obama administration, analysts said.

The rules, negotiated with automakers in 2011, sought to double average fleet-wide fuel efficiency to about 50 miles (80 km) per gallon by 2025.

The EPA plans to declare by April 1 that the rules are “not appropriate,” thereby allowing the Trump administration to reopen vehicle emissions rules, two officials briefed on the matter said on Friday.

Changes to the fuel efficiency rules could lead to more gasoline usage, said Andrew Linhardt, deputy legislative director for transportation with the Sierra Club in Washington.

“More gasoline usage means more CO₂, more pollutants in the air, dirtier air, and causing more climate change,” Linhardt said.

In recent years automakers have manufactured more models that operate better with premium gasoline, said Sandy Fielden, director of oil and products research at Morningstar Commodities in Austin, Texas.

Premium gasoline, which has higher levels of octane, extends the mileage for a gallon of gas, thereby making it more efficient. The increased use of premium gasoline has raised octane demand, said Patrick DeHaan, head of petroleum analysis at GasBuddy in Chicago.

Sales of premium gasoline as a percentage of total motor gasoline have steadily risen since 2011, data from the U.S. Energy Information Administration showed.

In 2011, premium gasoline sales were 8.97 percent of total motor gasoline sales by U.S. prime suppliers, the data showed. In 2016, the most recent annual data available, premium gasoline's market share increased to 11.52 percent.

(For a graphic on premium gasoline's market share, see: tmsnr.rs/2l7Xa6l)

The RBOB futures contract on the New York Mercantile Exchange gained \$0.0005 to \$2.014 a gallon by 2:10 p.m. EDT (1810 GMT)

Premium gasoline for physical delivery on the Gulf Coast traded at 6 cents a gallon above the futures contract on NYMEX, traders said. By comparison, M2 conventional gasoline traded 10.50 cents below the futures benchmark.

If the EPA were to ease fuel efficiency rules, manufacturers could reduce produce of vehicles with higher-performance engines, Fielden said.

"That would increase the amount of regular gasoline versus premium and that would have a negative or neutral effect on this increase in the octane demand in the market," Fielden said.

Washington Post

https://www.washingtonpost.com/national/health-science/trump-officials-prepare-to-undo-fuel-efficiency-targets-despite-some-automakers-misgivings/2018/03/29/d4043b74-32b0-11e8-8abc-22a366b72f2d_story.html?utm_term=.11789987661e

Trump officials prepare to undo fuel-efficiency targets despite some automakers' misgivings

By Juliet Eilperin and Brady Dennis, 3/29/18, 8:28 AM

Top Trump administration officials are engaged in a heated debate over how to undo federal fuel-efficiency targets for cars and light trucks, as manufacturers voice concern that a major rollback of an Obama-era rule could go too far and fracture the nation's auto market.

The internal negotiations over relaxing carbon-emission limits for cars and SUVs slated to be sold in model years 2022-2025 underscore the challenge officials face in trying to fulfill President Trump's 2017 promise to ease the regulatory burden on Detroit.

Some of the same companies that had pressed for action now worry that they will be forced to comply with two standards: the stricter specifications that California imposes on its massive auto market and a separate requirement for the rest of the country.

Within the next few days, several administration officials say, the Environmental Protection Agency will announce that it has concluded automakers cannot meet the fuel-efficiency guidelines set by the previous administration. Under those guidelines, cars and light trucks would have to average more than 50 miles per gallon (mpg) overall by 2025.

But the more difficult issue is what the replacement will be — a point of intense wrangling among EPA, the National Highway Traffic Safety Administration and the White House. The talks have been complicated by the fact that California sets the pace for nearly 35 percent of the nation's auto market, with tailpipe requirements followed by a dozen states and the District.

California has threatened to press ahead on its own if the administration weakens the federal targets significantly, prompting some automakers to lobby for the current standards to mainly be kept. The current federal requirement for the 2018 model year is 38.3 mpg. By 2025, it would rise to roughly 51 mpg.

On Tuesday, Ford Motor Co. Executive Chairman Bill Ford and Chief Executive Jim Hackett wrote a Medium post calling for “one set of standards nationally, along with additional flexibility” that would allow Ford to sell lower-emissions vehicles that U.S. consumers could afford.

“We support increasing clean-car standards through 2025 and are not asking for a rollback,” they wrote.

Company officials plan to meet with EPA Administrator Scott Pruitt by early next week to discuss the potential new standards. General Motors Chief Executive Mary Barra met with Pruitt and Transportation Secretary Elaine Chao earlier this month.

Margo Oge, a former senior EPA official who helped to negotiate the Obama administration’s guidelines with California and the auto industry, said that multiple companies have privately shared the concerns that Ford just raised publicly. Rather than change the 2025 thresholds, the automakers want more options for meeting them given the significant sums manufacturers have already invested.

“I don’t think they were expecting that the Trump administration would roll back the standards” to the degree that now seems likely, Oge said. “Sometimes you dance with the devil, then you don’t really like the dance.”

Officials at the Alliance of Automobile Manufacturers, whose members produce 70 percent of the cars and light trucks sold in the United States, say low gasoline prices in recent years have created a disconnect between what sort of vehicles federal policymakers expect to be sold and what Americans are actually buying. Alliance spokeswoman Gloria Berquist noted that the government had previously predicted future sales would be two-thirds cars and one-third light trucks, while the current ratio is the reverse.

“We’re caught between these standards and the marketplace, and they’re not aligning,” Berquist said.

Within the administration, NHTSA Deputy Director Heidi King has repeatedly pressed for a significant reduction in future mileage levels. The agency has offered a range of numbers in negotiations, according to individuals who spoke on the condition of anonymity because no final decision has been reached, with the lowest proposal being 34.5 mpg by 2025.

On Wednesday, the agency unveiled a proposed rule that would freeze the civil penalties automakers must pay if their fleets fail to meet federal fuel-efficiency requirements. The fine had been slated to rise from \$5.50 to \$14 for every tenth of a mile per gallon by which companies missed the standards for model year 2019 vehicles.

NHTSA spokeswoman Karen Aldana said officials are still working on a fuel-efficiency-standards package, which she said she cannot discuss until it is “final and publicly released.”

Bill Wehrum, assistant administrator for EPA’s Office of Air and Radiation, and White House energy and environment adviser Michael Catanzaro have continued to talk with California officials about the prospect of a compromise — but have yet to show them any specific proposal or the supporting data and analysis, according to the California Air Resources Board. Wehrum met with CARB Chair Mary Nichols on Tuesday.

“We have not seen the document in question, and California had no input into its content,” board spokesman Stanley Young said in an email. “We feel strongly that weakening the program will waste fuel, increase emissions and cost consumers more money. It’s not in the interest of the public or the industry.”

California Attorney General Xavier Becerra (D) said the state has no intention of backing down on its plans to increase fuel-efficiency goals over time: “We’re prepared to take whatever action, legal or otherwise, that we must to protect our economy, our environment and the public health of people of California.”

Beyond the health and climate-related benefits of more stringent emissions standards, he noted, many businesses in California and elsewhere already have made major investments in preparing to build vehicles that meet the guidelines set under the Obama administration.

"What we do, we do because we think it's the right thing," Becerra said. "We're not interested in participating in a race to the bottom."

Pruitt has taken a harder line against California's autonomy in recent months. Asked by Sen. Kamala D. Harris (D-Calif.) in a hearing in January whether he would promise to continue to grant the state's waiver under the federal Clean Air Act, which allows it to put stricter standards in place, Pruitt declined, vowing only to "review" the issue.

In the weeks since, he has said in media interviews that California should not be able to dictate standards for the rest of the nation and that the state is "not the arbiter of these issues."

ABC News

<http://abcnews.go.com/Politics/exclusive-cabinet-trouble-trump-epa-chief-lived-condo/story?id=54095310>

EXCLUSIVE: More Cabinet trouble for Trump? EPA chief lived in condo tied to lobbyist 'power couple'

By John Santucci, Matthew Mosk, and Stephanie Ebbs, 3/29/18, 11:22 AM

For much of his first year in Washington, President Trump's EPA Administrator Scott Pruitt occupied prime real estate in a townhouse near the U.S. Capitol that is co-owned by the wife of a top energy lobbyist, property records from 2017 show.

Neither the EPA nor the lobbyist, J. Steven Hart, would say how much Pruitt paid to live at the prime Capitol Hill address, though Hart said he believed it to be the market rate. The price tag on Pruitt's rental arrangement is one key question when determining if it constitutes an improper gift, ethics experts told ABC News.

"I think it certainly creates a perception problem, especially if Mr. Hart is seeking to influence the agency," said Bryson Morgan, the former investigative counsel at the U.S. House of Representatives Office of Congressional Ethics. "That's why there is a gift rule."

Hart confirmed to ABC News in a brief interview that Pruitt had lived in the flat, which is owned by a limited liability company that links to an address listed to Hart and his wife Vicki Hart, a lobbyist with expertise in the healthcare arena. Steven Hart said Vicki Hart co-owns the condo. He said his wife was not the majority owner, but would not identify her partners.

"I have no ownership interest," he said. "Obviously, I know the owners."

Vicki Hart does no lobbying involving the EPA, her husband said. Her website says she previously worked as a senior health policy advisor for two Senate Majority Leaders before establishing her firm in 2002.

Steven Hart served in the Reagan Justice Department and became, according to his website, is one of the nation's top fundraisers, donating more than \$110,000 to Republican political candidates and committees last election cycle, records show.

In 2010, the newspaper Roll Call referred to the Harts as a "lobbyist power couple."

Mr. Hart is the chairman and CEO of Williams and Jensen, a firm that reported more than \$16 million in federal lobbying income in 2017, according to the Center for Responsive Politics. Among his many clients are the NRA and Cheniere Energy Inc., which reported paying Hart's firm \$80,000 a year.

Hart's firm specifically lobbied on "issues related to the export of liquefied natural gas (LNG), approval of LNG exports and export facilities." The firm also lists on its website that it lobbies on other EPA policies like the Clean Air Act.

Cheniere Energy Inc. owned the only active Liquid Natural Gas export plant in the United States at the time. Liquid natural gas exports was on the agenda for discussion during Pruitt's December 2017 trip to Morocco, according to an agency press release.

On the trip, Pruitt pitched "the potential benefit of liquefied natural gas (LNG) imports on Morocco's economy," the release said.

The revelations about Pruitt's living situation come as more questions are being raised by members of Congress about his travel habits. The Morocco trip was one of Pruitt's most expensive. ABC News has learned that Pruitt, his head of security, and an additional member of his staff, Samantha Dravis, all flew first class on the trip.

The EPA inspector general expanded an audit of Pruitt's travel to include the Morocco trip in response to a request from Sen. Tom Carper, the ranking Democrat on a committee with oversight of EPA. Carper specifically asked the agency watchdog to look into whether Pruitt's activities on the trip were "in line with EPA's mission 'to protect human health and the environment.'"

Both environmental groups and members of Congress pointed out that the jurisdiction over natural gas exports typically falls to the Department of Energy - not the EPA.

A spokeswoman for Cheniere Energy declined to comment.

Another lobbying client of Hart's, the railroad Norfolk Southern, spent \$160,000 last year on lobbying Congress on "issues affecting coal usage, oil production, and transportation, including EPA regulation."

Norfolk Southern also declined to comment when reached by ABC News.

Morgan, an ethics expert in private practice in Washington, D.C., said the lobbying connection only further muddies the living arrangement. He said the rental agreement could create ethics problems for Pruitt even if he did reimburse his landlord for rent.

"What are the terms of the rental agreement?" Morgan asked. "It's not just a question if he is paying market rent. Was he given the ability to end it immediately? Would someone come after him if he were not to pay rent?"

Morgan said the most recent guidance from the Office of Government Ethics "emphasized that executive branch officials should decline even a permissible gift if it could cause the public to question their integrity or impartiality."

EPA spokesman Jahan Wilcox declined to answer questions about the arrangement.

Vicki Hart reached on her cell phone, said she would call back to discuss the matter but never did.

Steven Hart declined to address details of the rental agreement, saying it was a private matter and up to Pruitt to decide whether they should be made public.

The White House has not responded to a request for comment from ABC News.

Politico

<https://www.politicopro.com/energy/whiteboard/2018/03/pruitt-landlords-spouse-was-also-campaign-donor-915765>

Pruitt's landlord's spouse was also campaign donor

By Alex Guillen, 3/29/18, 1:10 PM

EPA Administrator Scott Pruitt lived in a Capitol Hill townhouse rented from the spouse of a lobbyist with natural gas and automotive clients, ABC News reported today.

The lobbyist, J. Steven Hart, donated to Pruitt's political campaigns to be Oklahoma's attorney general, according to a POLITICO review of campaign finance records. Hart is president, chairman and CEO of the lobbying firm Williams and Jensen.

The apartment near the Capitol is owned by a limited liability company in which Hart's wife, health care lobbyist Vicki Hart, is a minority owner, Hart told ABC, declining to identify her partners. It is not clear what Pruitt paid for the space, or whether Pruitt still resides there when in Washington, D.C. Hart said he thought Pruitt had paid market-rate rent.

Oklahoma records show Hart gave a total of \$1,750 to Pruitt's AG campaigns between 2010, when he was first elected, and 2012. Pruitt was reelected in 2014 before he was appointed to run EPA.

Hart's clients include Cheniere Energy, a natural gas company pushing to increase exports. Pruitt traveled to Morocco in December to promote U.S. LNG as an energy source for the country.

Hart also represents the American Automotive Policy Council, a group made up of Fiat Chrysler, Ford and General Motors. All three are involved in EPA's expected decision to revisit auto emissions standards. And EPA is helping prosecute Fiat Chrysler for alleged cheating on emissions testing.

Neither EPA nor Hart immediately returned requests for comment.

Washington Examiner

<https://www.washingtonexaminer.com/policy/energy/scott-pruitt-rented-a-condo-co-owned-by-wife-of-energy-lobbyist-report>

Scott Pruitt rented a condo co-owned by wife of energy lobbyist: Report

By Josh Siegel, 3/29/18, 2:07 PM

Environmental Protection Agency Administrator Scott Pruitt spent some of his first year in office living in a Washington townhouse that is co-owned by the wife of an energy lobbyist, according to a report Thursday.

The EPA and the lobbyist, J. Steven Hart, would not tell ABC News how much Pruitt paid to rent a condo in the townhouse near the U.S. Capitol, though Hart said it was the market rate.

Hart, the CEO of Williams and Jensen, has clients with business relevant to the EPA's regulatory efforts, including Cheniere Energy Inc. and railroad company Norfolk Southern. Cheniere is the largest natural gas exporter in the U.S.

Hart's company lobbied on "issues related to the export of liquefied natural gas (LNG) approval of LNG exports and export facilities," according to its website. The firm also says it lobbies on issues related to the Clean Air Act, which EPA administers.

Hart is a prominent Republican donor who served in the Justice Department during the Reagan administration. He donated to Pruitt's campaigns to be attorney general of Oklahoma, according to campaign finance records.

The condo that Pruitt occupied is owned by a company that lists Vicki Hart, the lobbyist's wife, as an owner. Steven Hart said his wife was not the majority owner of the condo.

Vicki Hart is also a lobbyist, but she does no lobbying before the EPA, her husband said.

Pruitt has faced scrutiny during his tenure over his spending and travel habits.

The EPA inspector general is investigating Pruitt for his use of first-class and military flights and his frequent travel as administrator to his home state of Oklahoma, where he served as attorney general.

The internal watchdog is also probing whether Pruitt broke federal spending laws by using \$25,000 in taxpayer money to install a secure phone booth in his office.

The Hill

<http://thehill.com/policy/energy-environment/380817-pruitt-lived-in-condo-co-owned-by-energy-lobbyists-wife>

Pruitt lived in condo co-owned by energy lobbyist's wife: report

By Timothy Cama, 3/29/18, 11:56 AM

Environmental Protection Agency (EPA) Administrator Scott Pruitt used to rent a Washington condo co-owned by the wife of a lobbyist with business ties to the agency, ABC News reported.

The condo in a townhouse near the Capitol is owned by a company that counts Vicki Hart as an owner, according to ABC.

The EPA and J. Steven Hart, Vicki's husband and an energy lobbyist, did not say how much Pruitt paid to rent the property for much of his first year in office, though he said he believed it was market rate. Vicki Hart did not respond to ABC's request for comment.

Vicki Hart is also a lobbyist, though her clients do not have business before EPA. Steven Hart, CEO of Williams and Jensen, has clients with EPA business, including Cheniere Energy Inc. and Norfolk Southern, and is a major Republican donor.

Bryson Morgan, the former investigative counsel at the House Office of Congressional Ethics, told ABC that the arrangement could create a problem, depending on whether Pruitt paid a low price for the rental.

"I think it certainly creates a perception problem, especially if Mr. Hart is seeking to influence the agency," he said. "That's why there is a gift rule."

The EPA did not respond to ABC's requests for comment.

Pruitt has been involved in a handful controversies in his time at EPA, including spending more than \$100,000 in taxpayer funds on first-class travel and paying more than \$40,000 to put a soundproof booth in his office.

Daily Caller

<http://dailycaller.com/2018/03/28/huffington-post-epa-climate-change/>

HuffPo's 'Scoop' On EPA's Climate Change Talking Points Was A Nothingburger

By Chris White, 3/28/18, 8:58 PM

A Huffington Post exclusive allegedly showing the EPA created talking points to downplay global warming actually indicates the agency is trying to emphasize the complexity of climate change research.

EPA's press office is directing employees to inform the public the agency promotes science and helps inform states on how to address "environmental emergencies," according to an internal email HuffPo obtained. The talking points also urged staff to tell members of the press the debate is ongoing, regarding how to address climate change.

"Human activity impacts our changing climate in some manner," according to an email Joel Scheraga wrote — an official who served under former President Barack Obama. "The ability to measure with precision the degree and extent of that impact, and what to do about it, are subject to continuing debate and dialogue."

"While there has been extensive research and a host of published reports on climate change, clear gaps remain including our understanding of the role of human activity and what we can do about it," another talking point states.

HuffPo characterized the email as an example of the EPA downplaying the importance of climate change research.

"The assertions made in the new EPA talking points are not rooted in science," HuffPo writer Alexander Kaufman wrote before noting "ninety-seven percent of peer-reviewed research" shows humans are contributing to global warming.

The report comes after EPA Chief Scott Pruitt suggested in an interview with The Daily Caller News Foundation's Michael Bastasch that Pruitt will reverse long-standing agency policy allowing regulators to rely on non-public scientific data in crafting rules. Such studies have been used to justify tens of billions of dollars-worth of regulations.

EPA regulators would only be allowed to consider scientific studies that make their data available for public scrutiny under Pruitt's new policy. EPA-funded studies would also need to make their data public. Several media outlets cast Pruitt's move as an attack on climate science.

The New York Times launched a two-pronged offensive against Pruitt's transparency policy that included an op-ed from two former EPA officials during the Obama administration. Pruitt's policy puts "profits of regulated industries over the health of the American people," the EPA officials said.

The Times also published an article focused on objections to Pruitt's policy, headlining "scientists see an attack on science." Pruitt's policy could expose confidential patient data and potentially strangle EPA's ability to issue new regulations, critics said.

CNN

<https://www.cnn.com/2018/03/29/politics/epa-climate-change-talking-points/index.html>

EPA talking points downplay role of human activity in climate change

By Veronica Stracqualursi, 3/29/18, 11:38 AM

The Environmental Protection Agency has circulated new talking points instructing staffers to say that "clear gaps" exist in understanding whether human activity contributes to climate change.

"While there has been extensive research and a host of published reports on climate change, clear gaps remain including our understanding of the role of human activity and what we can do about it," according to talking points obtained by HuffPost Wednesday and later confirmed to CNN by the EPA.

"Human activity impacts our changing climate in some manner," another talking point reads. "The ability to measure with precision the degree and extent of that impact, and what to do about it, are subject to continuing debate and dialogue."

The eight talking points were distributed to EPA communications directors and regional public affairs directors by the agency's Office of Public Affairs and sent internally via email by Joel Scheraga, that office's senior adviser for climate adaptation.

Without addressing the shift in the agency's approach to climate change, an EPA spokesperson said in a statement, "The talking points were developed by the Office of Public Affairs. The agency's work on climate adaptation continues under the leadership of Dr. Scheraga."

The talking points also include that the agency "promotes science that helps inform states, municipalities, and tribes on how to plan for and respond to extreme events and environmental emergencies."

The EPA has approached the issue of climate change differently under Administrator Scott Pruitt's leadership. Pruitt has acknowledged that climate change is a reality, but has questioned the extent to which it is caused by human activities and the authority of his agency to regulate it.

The last talking point in the email reads: "Administrator Pruitt encourages an open, transparent debate on climate science."

At the end of last year, the EPA removed references to climate change and the use of renewable energy from several of its web pages, according to an analysis by the Environmental Data and Governance Initiative. The phrase "climate change" did not appear in the EPA's draft four-year strategic plan, striking it as a priority.

A climate science special report published last year by the US Global Change Research Program -- made up of 13 federal agencies, including the EPA -- concluded that "it is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century" and that "there is no convincing alternative explanation."

The Hill

<http://thehill.com/policy/energy-environment/380692-internal-epa-memo-tells-staffers-how-to-downplay-climate-change>

Internal EPA memo tells staffers how to downplay climate change

By Miranda Green, 3/28/18, 3:32 PM

The Environmental Protection Agency (EPA) sent staffers climate change talking points Tuesday, according to an email first obtained by HuffPost.

The list of eight "approved talking points" sent by the EPA's Office of Public Affairs encourages staffers to highlight a lack of evidence that ties humans to climate change.

"Human activity impacts our changing climate in some manner. The ability to measure with precision the degree and extent of that impact, and what to do about it, are subject to continuing debate and dialogue," reads one of the points.

Another point mentions that "gaps" remain in science, bringing into question whether climate change is a direct effect of fossil fuel emissions.

"While there has been extensive research and a host of published reports on climate change, clear gaps remain including our understanding of the role of human activity and what we can do about it," reads the email sent from Joel Scheraga, EPA's Office of Policy senior advisor for climate adaptation.

Scheraga said the talking points were determined by Public Affairs Director Nancy Grantham and were developed at the request of the Cross-EPA Work Group on Climate Adaptation to develop consistent messaging on the topic.

Under Administrator Scott Pruitt, the EPA has questioned the exact impact humans have made on climate change.

While Pruitt has maintained that he believes in climate change, he has been reluctant to tie effects to humans as the agency works to roll back a number of environmental regulations that green groups argue will speed up global warming.

After he was confirmed, Pruitt worked quickly to approve a slew of EPA website changes that removed references to climate change and climate programs.

However, a number of federal studies, including from the EPA, have found evidence that humans are contributing to a warming globe. In November, a federal report from 13 agencies found that humans are the No. 1 cause of climate change — causing sea level rise, hotter temperatures and agriculture issues.

The final talking point on the EPA memo suggests how employees should refer to Pruitt's stance on the issue.

"Administrator Pruitt encourages an open, transparent debate on climate science," it reads.

A spokesperson for the EPA confirmed to The Hill that the talking points were "developed by the Office of Public Affairs," adding that the agency continues to address climate change.

"The Agency's work on climate adaptation continues under the leadership of Dr. Scheraga," the spokesperson said.

Washington Post

https://www.washingtonpost.com/news/energy-environment/wp/2018/03/28/epa-staffers-get-talking-points-downplaying-human-role-in-climate-change/?utm_term=.83028ae75b95

EPA staffers get talking points playing down human role in climate change

By Brady Dennis and Juliet Eilperin, 3/28/18, 6:19 PM

Environmental Protection Agency staffers received a list of "talking points" this week instructing them to underscore the uncertainties about how human activity contributes to climate change.

A career employee in the department's Office of Public Affairs distributed the eight talking points to regional staffers. The list offered suggestions on ways to talk with local communities and Native American tribes about how to adapt to extreme weather, rising seas and other environmental challenges.

Employees crafted the email, first disclosed Wednesday by HuffPost, on the basis of controversial — and scientifically unsound — statements that EPA Administrator Scott Pruitt has made about the current state of climate research.

"Human activity impacts our changing climate in some manner," reads one of the talking points. "The ability to measure with precision the degree and extent of that impact, and what to do about it, are subject to continuing debate and dialogue."

Another states that while there has been "extensive" research and numerous reports on climate change, "clear gaps remain including our understanding of the role of human activity and what we can do about it."

The list echoes pronouncements by Pruitt, who along with other Trump administration officials, has repeatedly highlighted uncertainty about the role humans have played in the warming of the planet. Pruitt also has pushed for a

government-sponsored exercise to scrutinize climate science and has wondered whether global warming “necessarily is a bad thing.”

Such comments put Pruitt at odds not only with leaders of other countries but also the vast majority of climate scientists internationally. Even the government’s own scientists have found that “it is extremely likely that human influence has been the dominant cause of the observed warming since the mid-20th century. For the warming over the last century, there is no convincing alternative explanation supported by the extent of the observational evidence.”

Most experts agree that the burning of fossil fuels is a primary driver of climate change and that unless nations drastically reduce emissions of carbon dioxide, the world will increasingly face consequences in the form of sea-level rise, stronger storms and protracted droughts, longer wildfire seasons, and other environmental calamities.

“The EPA administrator should not be in the business of telling scientists what they should say publicly about basic scientific information,” said Michael Halpern, deputy director of the Center for Science and Democracy at the Union of Concerned Scientists. “The implication is that EPA wants a political filter on all scientific information emerging from the government, especially if it has to do with climate change.”

An EPA spokeswoman said in an email that “the talking points were developed by the Office of Public Affairs. The agency’s work on climate adaptation continues.”

Aside from the points that raise doubt about climate change, the list instructs regional officials to say the EPA “promotes science that helps inform states, municipalities and tribes on how to plan for and respond to extreme events and environmental emergencies.” It also says the agency “recognizes the challenges that communities face in adapting to a changing climate” and “will continue to advance its climate adaptation efforts.”

At other federal agencies, referring to climate change remains a sensitive topic.

Last week, according to an email obtained by The Washington Post, the Fish and Wildlife Service issued guidance with boldface language instructing staffers that the grant solicitations they send out “must not include any broad, generic phrases or terms that are known to be related to divisive political issues or otherwise have a political association, meaning, or inference.”

The agency did not specify what qualifies as politically divisive. But it provided a single example, substituting what would typically be a reference to climate change with a longer term, in italics: “This program will fund research activities that broaden our understanding of the impacts of changing environmental conditions, such as data collection on the frequency of severe weather events.”

Asked about the directive, Interior Department spokeswoman Heather Swift said in an email that Fish and Wildlife made the change “to improve the grants process and accountability.”

“The goal of the policy is for applicants to get away from submitting forms with broad topics and instead submit more specific information about what they will use taxpayer funds for,” she said.

Washington Examiner

<https://www.washingtonexaminer.com/policy/energy/environmental-groups-aim-to-boot-scott-pruitt-over-wasteful-spending-at-epa>

Environmental groups aim to 'boot' Scott Pruitt over 'wasteful spending' at EPA

By Josh Siegel, 3/28/18, 5:35 PM

Environmental groups on Wednesday started a campaign to oust Environmental Protection Agency Administrator Scott Pruitt, citing what they say is his propensity for “spending lavishly on himself.”

The Sierra Club and National Resources Defense Council are among 10 groups aiming to unseat Pruitt, seeking to bring attention to recent revelations about his spending on first-class travel and personal security on foreign flights.

On Wednesday night, the campaign plans to project a message onto the EPA headquarters building in Washington calling for Pruitt to step down.

The projection will feature images criticizing Pruitt’s “wasteful spending of taxpayer money on luxury travel, ongoing investigations of his actions while in office, and his dangerous policies that have imperiled public health.”

The Sierra Club also plans to run “Boot Pruitt” ads on cable news networks, including “Fox & Friends” and MSNBC’s “Morning Joe.”

Pruitt spent more than \$105,000 on first-class flights in his first year, according to documents the EPA provided to the House Oversight and Government Reform Committee.

A watchdog group last week released documents showing the EPA spent nearly \$31,000 on Pruitt’s security detail during a June trip to Italy.

The EPA inspector general is investigating Pruitt for his use of private and military flights and his frequent travel as administrator to his home state of Oklahoma, where he served as attorney general. The internal watchdog is also probing whether Pruitt broke federal spending laws by using \$25,000 in taxpayer money to install a secure phone booth in his office.

Pruitt has deflected criticism of his travel habits by saying he faces “unprecedented” security threats from taunting travelers, which has prompted EPA career security staff to grant him waivers to sit in first class.

EPA spokesman Jahan Wilcox dismissed the campaign to unseat Pruitt on Wednesday, noting the Sierra Club had already deemed Pruitt “unfit to serve” before he was confirmed.

“A campaign funded by the Sierra Club running ads on MSNBC and ‘Morning Joe’ attempting to influence President Trump may not be particularly successful,” Wilcox told the Washington Examiner. “But please don’t take my word for it, spend your money. Administrator Pruitt is proud to advance President Trump’s agenda on regulatory certainty and environmental stewardship.”

E&E Climatewire

<https://www.eenews.net/climatewire/stories/1060077707/search?keyword=EPA>

Greens push Pruitt to quit in big letters

By Josh Kurtz, 3/29/18

An environmental group projected messages onto U.S. EPA headquarters last night calling on Administrator Scott Pruitt to resign.

The event escalated a campaign dubbed “Boot Pruitt” to sharpen public opinion against the conservative administrator. Among its complaints is Pruitt’s past use of first-class airfare.

"Scott Pruitt," the message read, over pictures of pollution-belching smokestacks, "threatens our health/attacks science/spends \$150K+ on luxury travel/puts polluters first/under 4 investigations."

The event was organized by the League of Conservation Voters.

"He's given us a million reasons why he's unfit," said Sara Chieffo, LCV's vice president of government affairs, standing in front of the agency's headquarters, across the street from the Trump International Hotel in downtown Washington, D.C. "Unfortunately, we can only list five on the EPA building."

The beamed-up message was accompanied by a link to a new website, BootPruitt.com, launched by 10 progressive groups to publicize their grievances against the administrator. It includes a petition calling on Pruitt to resign.

A dozen or so people moved around the sidewalk outside the building as the message flashed on the facade for more than half an hour. But they weren't protesters in the strictest sense.

The whole operation required a lot of bodies and resembled an advertising shoot. Two people were needed just to hold umbrellas over the equipment beaming the message on the building. There were cameramen and videographers recording the statements Chieffo made for a video and an LCV Facebook Live posting. Someone held a light. Someone else held cue cards.

Bustling around and directing the activity was Robin Bell of Bell Visuals, a company that specializes in projecting political messages on iconic Washington, D.C., structures.

Bell, someone confided, is expert at knowing where to stand on public property to legally use a private or government building to display political images.

"This is one of my favorite palettes," Bell told E&E News, gesturing toward the EPA building.

Whether the occupants of the building were affected by the after-hours activity was impossible to say. Jahan Wilcox, an agency spokesman, did not respond to an email last night requesting comment.

LCV and its partners see the push to get Pruitt to resign as a long-term campaign.

"This represents a much broader effort," Chieffo explained. "We see this as an ongoing effort."

When she was done recording her messages, Chieffo got welcome feedback from Bell.

"You killed it," he told her.

Washington Post

https://www.washingtonpost.com/opinions/scott-pruitt-needs-to-go/2018/03/28/8984cd26-32a0-11e8-8bdd-cdb33a5eef83_story.html?utm_term=.8822cb354ecf

Enough is enough. Scott Pruitt needs to go. (*Opinion)

By John Podesta, 3/28/18, 3:19 PM

The mission of the Environmental Protection Agency has always been to protect human health and the environment. But since taking the helm just over a year ago, EPA Administrator Scott Pruitt has made no secret that his personal mission is to do the opposite.

Time after time, Pruitt has ignored his agency's own data, analysis and recommendations in order to protect corporate polluters. He has given new meaning to the lobbyist revolving door, hiring people who have close connections to the industries that the EPA is supposed to regulate. And he wasted taxpayer money for his own personal comfort.

By now, it is clear that Pruitt is unfit for public office and needs to go.

Take, first, the "brief" meeting between Pruitt and a top Dow Chemical executive last March. Less than a month later, Pruitt announced he would refuse to ban the pesticide chlorpyrifos, produced by Dow, from being sprayed on food, despite a review from EPA scientists that found even trace amounts of chlorpyrifos can interfere with children's brain development. In refusing to go along with EPA experts' advice to ban chlorpyrifos, Pruitt rejected science, endangered children's health and benefited his industry friends all at once.

But that's not all. In January 2016, two employees of the agribusiness Syngenta assigned about 20 workers to work in a field recently treated with chlorpyrifos in Hawaii, exposing them to dangerous levels of the pesticide. Later that year, the EPA under the leadership of Gina McCarthy announced it would fine Syngenta about \$4.9 million for its improper use of the chemical during the January incident.

But help for Syngenta was on the way when Pruitt became administrator. In October 2017, Pruitt hired Jeff Sands, a former Syngenta lobbyist, as his senior adviser for agriculture issues. In December, the White House counsel granted Sands an ethics waiver to ensure that he could continue to work on issues related to his former employer — including the issues that he had lobbied previously, such as the EPA's regulation of pesticides.

Then in February, the EPA reduced Syngenta's fine for violating pesticide regulations to \$150,000 without explanation, requiring the company to spend an additional \$400,000 on worker training. In all, the company saved about \$4.4 million.

And then in March, Sands — perhaps feeling his mission accomplished — left the EPA.

No one knows why Pruitt decided to reduce Syngenta's fine. No one knows whether Sands's advice influenced that decision. But the timing raises serious questions, and Pruitt should immediately and proactively release all of the documents detailing his decision-making process.

In addition to throwing the EPA's doors wide open for corporate polluters, Pruitt has wasted taxpayer dollars. The extent of Pruitt's excess is still coming to light, but we do know that Pruitt spent \$43,000 on a soundproof phone booth, which the Government Accountability Office is investigating, and almost \$9,000 to install biometric locks in his office and to have it swept for listening devices. He also tried to spend \$120,000 to hire a Republican political consulting firm to track press coverage of the EPA, but that deal failed after it was revealed that one of the firm's lawyers worked to monitor EPA employees critical of Pruitt or President Trump.

Meanwhile, Pruitt has made a habit of using taxpayer money to avoid ordinary citizens who want to criticize him. In response to questions from Trey Gowdy (R-S.C.), chairman of the House Oversight and Government Reform Committee, Pruitt was forced to release documents indicating that he spent more than \$105,000 on first-class flights in his first year at the EPA alone. The Post recently reported that one week's worth of travel in June 2017 by Pruitt and his staff cost about \$120,000, which the EPA inspector general is investigating.

Remarkably, even the White House is fed up with this behavior. Pruitt was recently scolded by the White House for the embarrassing stories around his preference for first-class travel.

Enough is enough. Pruitt has failed to demonstrate that he can lead the EPA without putting American lives at risk or wantonly wasting taxpayer money. It's time to give him the boot.

The Intercept

<https://theintercept.com/2018/03/29/epa-superfund-scott-pruitt-peter-wright/>

Trump's Nominee to Oversee Superfund Program Spent Decades Fighting EPA Cleanups On Behalf of Polluters

By Sharon Lerner, 3/29/18, 1:30 PM

THOUGH HE HAS openly disparaged much of his agency's mission, Environmental Protection Agency Administrator Scott Pruitt has remained steadfastly enthusiastic about Superfund, the federal program responsible for cleaning up some of the country's most contaminated industrial sites. The EPA budget brief released in February said the agency would "accelerate the pace of cleanups" and make an additional 102 Superfund sites and 1,368 brownfield sites "ready for use" by September 30, 2019. That move follows Pruitt's creation of a "Superfund task force," which laid out the program's priorities in July and, in December, issued a list of 21 sites to be fast-tracked for cleanup.

Yet even as he's offered up these promises, some of Pruitt's budgetary and hiring decisions have threatened the possibility that he'll be able to fulfill them. The EPA's proposed 2019 budget would cut the enforcement staff necessary to track down polluters and hold them accountable.

Perhaps even more undermining to the program are the people Pruitt has chosen to run it. First there was Albert Kelly, a former banker who had contributed to Pruitt's campaigns and whose bank had given him loans, appointed to head the Superfund task force last May despite the fact that he had no previous environmental experience. And now comes Trump's nomination for Kelly's boss at the office responsible for managing hazardous waste: Peter Wright, a man with an extensive history with Superfund — fighting EPA cleanups on behalf of polluters.

From the beginning, the government's efforts to remediate lead smelters, mines, paper mills, refineries, landfills, and the like under the Superfund program have been dogged by delays. Superfund was created in 1980 to remediate the most egregious industrial messes that companies were unable or unwilling to clean up themselves. At first, the program was mostly paid for by a tax on the chemical and oil industries. But the rate of cleanup got infinitely worse after 1995, when Congress allowed that tax to expire, leaving taxpayers to foot the bill. The number of completed Superfund cleanups (of sites not owned by the federal government) dropped from 80 in 2000 to 13 in 2013, according to a 2015 report by the Government Accountability Office. While presidential administrations have come and gone, hundreds of communities have awaited the removal of dangerous chemicals for decades as they languished on the ironically named "National Priorities List."

Scott Pruitt promised to fix that. But his first step was to appoint someone to head up his Superfund reform initiative whose experience with Superfund sites seemed to be limited to living near one. Like about half of the more than 1,300 Superfund sites, the Wilcox Oil site in Albert Kelly's hometown, Bristow, Oklahoma, was polluted by companies that no longer exist. It's been 96 years since Albert Rollestone sold Continental Petroleum, one of the companies that originally operated on the land that is now the Wilcox site. In the early 1900s, Rollestone shared a house with Kelly's grandfather, a banker whose fortune came partly from oil. Both men profited from the Bristow oil boom. Rollestone, whose bank eventually merged with one the elder Kelly ran, went on to live "on a prominent Easy Street corner," as the magazine *Petroleum Age* wrote at the time, and Kelly's community bank, now known as SpiritBank, remains in operation.

While Continental and the six other companies that originally operated on the land have long since ceased to exist, their pollution remained. On a chilly Tuesday last month, it took the form of black goo that had oozed up from the ground and hardened into tarry patches dotting Glen Jones's backyard. Jones, 73, hoped for a peaceful retirement on his 20-acre property when he bought it 14 years ago. That was before the EPA found elevated concentrations of lead, arsenic, 2-methylnaphthalene, and the carcinogen benzo(a)pyrene in the 125-acre swath of Bristow that includes his backyard and, in 2013, declared it a Superfund site.

For most of the past year, while the position above him has remained vacant, Kelly, the grandson of Rollestone's business associate, has been running the \$1 billion program that oversees the cleanup of Superfund sites, including the one in Bristow. While Kelly is new to this professional world, Wright, Trump's nominee to head the EPA's Office of Land and Emergency Management, has an extensive track record with hazardous waste: For the last quarter-century, he has

defended companies responsible for some of the biggest of these industrial disasters, including Dow Chemical, where he has worked for more than 18 years, and Monsanto, where he worked for seven years before that.

The Senate has yet to schedule Wright's confirmation hearing. If confirmed, he would oversee emergency response as well as cleanups under the Superfund program, which is mostly used for abandoned industrial sites, and the Resource Conservation and Recovery Act, which is designed for sites that are still in use. Together, Dow and DuPont, which merged in 2017, are responsible for the remediation of nearly 200 Superfund sites and more than 300 sites being cleaned up under other laws, including the RCRA, according to DowDuPont's Securities and Exchange Commission filing. Monsanto is associated with at least 100 Superfund sites and seven RCRA sites, according to the EPA website. A spokesperson for Monsanto could not confirm the number of sites the company has been involved in remediating.

While Pruitt has promised to speed cleanups, as an attorney representing companies that have to pay cleanup costs, part of Wright's job has been to avoid liability. Among the complicated environmental messes Dow is now cleaning is Rocky Flats, where the company manufactured triggers for nuclear weapons. An EPA and FBI raid of the plant in 1989 led to discoveries that plutonium and tritium had leaked into local water — and spurred the environmental agency to add the site to the Superfund list that same year. Thousands of residents have since sued. In an emailed statement, Dow spokesperson Rachelle Schikorra noted that the EPA closed the Rocky Flats cleanup project in 2006 and that legal cases associated with historical operations of this site have settled.

But it is a mess in Michigan, surrounding Dow's headquarters in Midland, that is the company's "largest and most significant environmental matter," as Wright's bio on an industry consulting group webpage points out. The company has released highly toxic dioxins and furans into the Tittabawassee River and other local waters since at least the 1930s, and waste from its Vietnam War-era production of the herbicide Agent Orange added to the river's chemical stew. The contaminants have flowed into the nearby Saginaw River, the Saginaw Bay, and Lake Huron, ending up at least 50 miles from the plant where they originated.

Ethics experts say Wright should recuse himself from work on the Midland site. "You'd worry, potentially, that given the magnitude of the issue and its importance to Dow, that in this revolving-door situation he might favor Dow's point of view," said Bruce Green, director of the Louis Stein Center for Law and Ethics at Fordham University. "If I were in his confirmation hearing, I would ask whether he plans to recuse himself."

Kathleen Clark, a professor of legal and government ethics at Washington University School of Law, added that Wright's role as managing counsel at Dow would seem to trigger more sweeping restrictions on his work. "Legal ethics standards would make it a lifetime ban, if, as is almost certainly the case, he's learned confidential information from Dow about this," Clark said. She says the restrictions should go even further. "If he participated or had confidential information in the proceedings involving any of DowDuPont's other sites, he may need to recuse himself from government work on those as well."

In her statement, Dow's Schikorra said that Wright was unavailable to comment for this piece but described him as "directly involved in negotiating 14" cleanup agreements with the EPA. "Peter Wright has been the steadfast voice at the table on the mid-Michigan dioxin issues. His in-depth understanding of both regulations and real-world solutions was instrumental in resolving this highly complex legacy issue," Schikorra said.

Schikorra's statement also said that the company has made "tremendous progress in resolving the mid-Michigan dioxin issue" and noted that Dow is "working cooperatively with, and under the direction of regulatory agencies, to remediate and restore areas impacted by our historical operations. We are focused on resolution and remain committed to protecting the health and well-being of the communities in which we live and work."

While Wright has served as its managing counsel, Dow has argued against strengthening the cleanup standard for dioxin at the Michigan site, slowed the pace of the river's cleanup, and withheld results of its own research from the state. When the EPA tried to force the company to speed up its process, Dow fought back hard.

A decade ago, an EPA regional administrator named Mary Gade got fed up with the company's resistance to addressing the dioxins in Michigan. In January 2008, Gade, whose region included the Dow headquarters, decided to stop negotiating with the company, which had declined to do some testing requested by the state and the EPA. Gade instead tried to use her emergency powers to compel Dow to clean up the most contaminated waterways. Weeks after the decision to stop negotiating, Dow officials, including Peter Wright, met with Susan Bodine, then an EPA assistant administrator who worked at the agency's Washington headquarters. According to an emailed letter they sent Bodine after the meeting, the Dow officials requested her help putting matters "back on a constructive track." In May 2008, Gade said EPA headquarters had told her to resign or be fired; she resigned. Gade didn't return calls from The Intercept, but at the time of her ousting told the Chicago Tribune, "There is no question, this is about Dow."

Dow spokesperson Schikorra said no one at Dow had any role in Gade's departure from the EPA.

While Wright's nomination is pending, Susan Bodine is already back at the agency. After spending several years as a lobbyist, she was confirmed to run the EPA's enforcement office in December.

Tracking Down Polluters

Challenging as it is for the EPA to force known polluters to take full and prompt responsibility for cleanups, the agency's job is considerably more complicated when no company is clearly liable for the contamination. EPA workers with titles like "civil investigator" and "cost recovery expert" are tasked with sorting through the messiness that impedes cleanups in such instances. While it's easy to find celebrated titans of industry — in Bristow, for instance, pictures of Rolleston and the Kellys hang in the town square — it is considerably more difficult to follow the trail from defunct companies to existing, solvent ones, especially since corporations often purposefully confound it.

It has become standard corporate practice to dodge cleanup costs using a range of strategies, including bankruptcies, mergers, and corporate name changes. "To the extent that companies can confuse the matter, they do," said Leo Mullin, who worked at the EPA tracking down polluters of Superfund sites for 24 years before retiring in 2013. "Their basic line is, 'It's not me.'"

Monsanto, which produced several chemicals that have led to Superfund cleanups — including PCBs and glyphosate, the active ingredient in Roundup — undertook a dizzying corporate transformation in the 1990s, when Wright was serving as one of the company's environmental attorneys. In 1997, a spinoff company called Solutia acquired Monsanto's chemical business and liabilities and subsequently went bankrupt, while the profitable part of the company merged with Pharmacia and Upjohn and was ultimately acquired by Pfizer.

"In places where there was no institutional memory" of this elaborate series of maneuvers, "they got left off the hook," said Mullin.

"Under our agreements with Pharmacia and Solutia, today's Monsanto manages many of the legacy liabilities from the former Monsanto's operations before 1997," a spokesperson for the company wrote in a statement to The Intercept. "Where Monsanto has been determined to have responsibility relating to PCBs, we've met those obligations and we'll continue to do so. In addition, since the 1950s there has been and continues to be a Monsanto at our headquarters address here in St. Louis. The EPA knows where to find us."

The need for forensic accountability became more pressing in 1995, when Congress allowed the tax on the chemical and oil industries that had paid for cleanups to expire. Without replenishment, the "Superfund" for which the program was named was depleted by 2003. To cover the rest of the cost of the massive environmental damage, it had to rely on investigators like Mullin to track down polluters and force them to pay.

Mullin and his colleagues were trained to treat the defilement of the soil, air, and water as both a solvable mystery and a serious crime. "We had someone who was former SEC and DEA. We had two retired Philly cops, five ex-IRS people like myself, and a private investigator," Mullin said of the Philadelphia office where he and others scoured databases, pored over property records, and dug through historical documents in their efforts to nab companies that were trying to escape and minimize their environmental liability.

When done well, the work is extremely lucrative, accounting for one of the agency's few income streams. Mullin estimated that the projects his team worked on brought in more than \$600 million during the 24 years he served as a forensic investigator in the Superfund program. During fiscal year 2016, Superfund enforcement cost the government \$150 million, while bringing in more than \$1 billion in responsible party commitments to perform cleanups and another \$147 million in payment of government costs.

While the EPA's job of tracking pollution liability always involved some level of detective work, the corporate deceptions have become more sophisticated, fast-moving, and difficult to crack in recent years, according to Mullin. "The issue of buying and selling assets to get out of an industry — all that stuff can change in an instant now with the speed of commerce."

Yet, as the liability trail became vastly more complicated, the funding to pay investigators to follow it has dropped. The number of investigators in the Philadelphia office peaked at 10 when the Superfund budget overall peaked — in the early 1990s — and is now three, according to Mullin, who keeps in touch with his colleagues in the office. Trump's proposed budget for fiscal year 2018 included 37 percent reductions in funding for Superfund enforcement and suggested cutting the program overall by 30 percent. Last week, Congress rejected those cuts, voting to keep funding for EPA flat and add \$66 million for Superfund sites. The EPA did not answer questions from The Intercept about the current number of investigations at the agency.

The proposed budget for 2019, which was released in February, slashed the EPA's overall funding by 26 percent compared to 2017, the most recent period with accurate spending totals. While funding for Superfund cleanups remained relatively flat, the administration is seeking to cut some of the budgetary lines that pay for both the investigators who trace the pollution back to its origins and the lawyers who can then force corporate entities to pay for cleanups in its signature program. The 2019 budget would also reduce funding for the Department of Justice, which pays for government lawyers to force companies to clean up hazardous waste at Superfund sites. (Pruitt had previously tried to eliminate the DOJ funding altogether.)

To be sure, the damage to Superfund in the coming budgets isn't as dramatic as overall cuts to the EPA proposed in Trump's most recent budget. But cuts to Superfund enforcement don't just undermine the program's ability to track down polluters and hold them responsible; they also upend the fiction that Trump's EPA has any interest in environmental protections.

"It is just a stunning action by the guy who keeps trying to say he is really concerned about public health and safety and touts that he's returning the agency to basics," Betsy Southerland, who spent 10 of her 30 years at the EPA working on the Superfund program, said of the proposed reductions. "That same champion of Superfund, he's asking for cuts in enforcement."

The cuts to the staff that can make polluters pay for their own messes are part of a larger trend away from enforcing environmental laws and regulations taking place under this administration. In addition to cutting some of the enforcement necessary for Superfund cleanups, the proposed budget also includes cuts to monitoring used for enforcement as well as funding for criminal enforcement. By law, the EPA office that investigates environmental crimes is supposed to have 200 agents. But the criminal enforcement division currently has 143 agents, according to an agency spokesperson, and cuts to its budget would likely whittle its staff further. Meanwhile, the budget would completely eliminate an enforcement division dedicated to oil spills.

Environmental enforcement cases have already dropped sharply in the past year. According to Public Employees for Environmental Responsibility, "The 2017 case referrals to the Department of Justice for prosecution are below annual levels going back to 1990. The pace EPA is setting through the first half of FY 2018 would be the lowest in 30 years." In the first 12 months of the Trump administration, the EPA collected almost 60 percent less in penalties from environmental polluters than the agency did during Obama's first year in office, according to a February report from the Environmental Integrity Project. The report also showed a precipitous drop in the amount spent on pollution controls by companies the EPA has cited for various violations. Under Trump, these companies spent \$966 million on pollution

controls such as equipment upgrades, monitoring and maintenance, less than a third of the \$3.3 billion that violators paid for these things in the first year of the Obama administration. The EPA declined to comment for this story.

While enforcement activities, including Superfund, are a wise investment of tax dollars, the money that corporations put into diffusing their responsibility at Superfund disputes is also well spent. The agency contacted several companies about their potential liability for pollution at the Superfund site in Bristow, Oklahoma, including Kinder Morgan, ConocoPhillips, and Chevron. Though all have some corporate connection to the original companies, having subsumed or merged with them or their successors, all denied their responsibility for cleaning up the site.

After the EPA approached ConocoPhillips about the site in 2013, Phillips66, which spun off from ConocoPhillips in 2012, responded with a 29-page letter complete with stock certificates from 1920 that argued the company had no responsibility for the mess. Chevron sent the EPA a 90-page response denying its responsibility. And Kinder Morgan, which acquired El Paso Energy Corporation in 2012, which was itself a successor to one of the original companies operating on the Oklahoma Superfund site, Wilcox Oil, sent the EPA a more than 1,100-page response to its inquiry. Meanwhile, the bulk of the work getting rid of the waste in Bristow awaits an agreement with a responsible party.

The cleanup of waterways near the Dow headquarters in Michigan has also proceeded at a glacial pace. After first denying that it had produced dioxins found in the water, Dow later said that the chemicals weren't dangerous at the levels they were found in Michigan waters, though studies had already found them to increase the rates of all cancers in humans and affect reproduction. (As recently as 2005, Wright argued that environmental exposure to dioxins didn't pose a threat to human health.)

Dow's statement said that the company "has undertaken considerable efforts to reduce dioxin emissions" and is "on track to complete the cleanup of the Tittabawassee River and floodplain by 2020." But the dioxins and furans remain in the water — and some local environmentalists question when, if ever, they'll be fully cleaned up.

"Dow totally derailed the cleanup plan," said Michelle Hurd Riddick, a nurse and member of the Lone Tree Council, a Michigan environmental group that has been working to get Dow's chemicals out of local waters for almost 20 years. "They've just thrown up more and more roadblocks to slow down the process." Hurd Riddick says she has no confidence that, once he's at EPA, Wright will clean up any highly contaminated site. "We've had the highest level of dioxins in the country," she said. "If he didn't take our contamination seriously, he won't take any site seriously."

Reuters

<https://www.reuters.com/article/panel-to-weigh-mdl-treatment-for-gold-ki/panel-to-weigh-mdl-treatment-for-gold-king-mine-spill-cases-idUSL1N1RB018>

Panel to weigh MDL treatment for Gold King Mine spill cases

By Barbara Grzincic, 3/28/18, 8:22 PM

A federal judicial panel on Thursday will consider creating multidistrict litigation for cases against the Environmental Protection Agency and the contractor accused of causing the 2015 Gold King Mine spill in Colorado, which fouled rivers in at least three states and the Navajo Nation.

The EPA contractor, St. Louis-based Environmental Restoration, has asked the U.S. Judicial Panel on Multidistrict Litigation to centralize pretrial proceedings for the four lawsuits already filed and any that arise in the future.

To read the full story on Westlaw Practitioner Insights, click here: bit.ly/2GiUe6z

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http://esweb.bna.com/eslw/display/no_alpha.adp?mode=si&frag_id=130717889&item=408&prod=deln&cat=AGENCY

Outcome of EPA Rule Delay Case Could Upset Trump Deregulatory Plan

By Sam Pearson, 3/29/18

A win for the plaintiffs in a case challenging the delay of an EPA chemical safety rule could have big implications for the Trump administration's deregulatory agenda and the law governing how regulations are made, an attorney at a union legal conference said.

Joseph Santarella, senior counsel at the law firm Santarella & Eckert LLC in Littleton, Colo., said he is cautiously optimistic the plaintiffs will prevail in federal court challenging the Environmental Protection Agency's delay of an Obama-era regulation.

The rule aims to add new emergency planning and preparedness requirements for high-risk industrial facilities.

"This is going to be a landmark Administrative Procedure Act decision," Santarella said, referring to the federal law governing how agencies may issue regulations.

Santarella, whose firm represents the petitioners in the U.S. Court of Appeals for the District of Columbia Circuit challenging the EPA, spoke at the United Steelworkers' Health, Safety, and Environment conference in Pittsburgh on March 28.

While predicting the outcome of a case is risky, he said, signs appear favorable for the challengers, community and environmental groups and the United Steelworkers union.

More Info Sought

For one thing, he said, the court asked the EPA March 23—a week after the oral arguments—to provide "a comprehensive list" of past actions in which a federal agency had delayed a regulation in a similar manner, a sign it's interested in the issue, Santarella said.

Other issues that could have tripped up the petitioners received little attention at the oral arguments, such as whether the union or community groups had standing to sue the EPA, Santarella said.

Industry organizations have warned that the rule could increase costs and present security risks for the facilities.

A three-judge panel of the D.C. Circuit is evaluating if the EPA violated the Clean Air Act in June 2017 when it delayed the chemical facility safety regulation until February 2019. Oral arguments were March 16, and a ruling is expected later this spring.

During the arguments, Jonathan Brightbill, a deputy assistant attorney general representing the EPA, said regulators need discretion to develop new policies when a new administration comes into office. The public would not be harmed by the regulation's delay because many of the provisions would not have taken effect for years anyway, he said.

Sympathetic Court?

The court may be sympathetic to the union's arguments that the EPA acted in an arbitrary and capricious manner, Santarella said.

Judge Brett Kavanaugh, one of the three hearing the case, seemed skeptical during oral arguments, saying the agency should be able to amend any part of a prior rule as long as it gives notice and accepts public comments, as required under the Administrative Procedure Act.

The EPA delayed the effective date of the Obama-era regulation in without making findings to counter the administrative record from the 2017 rule.

At oral arguments, Susan Eckert, an attorney at Santarella & Eckert LLC and Santarella's wife, represented the Steelworkers before the court.

She spoke about how the union's members are directly affected by the delay of the regulation by virtue of their work at many of the facilities that would be regulated. The court seemed to recognize the purpose of the regulation, Eckert said, that "it's about people."

While the judges' questions allowed the proceedings to stretch from their allotted 40 minutes to more than two hours, the panel didn't ask Eckert any questions.

"What that means is like reading tea leaves," Santarella said, "but I will tell you, I think it's a good sign."

BNA

http://esweb.bna.com/eslw/display/no_alpha.adp?mode=si&frag_id=130717870&item=408&prod=deln&cat=AGENCY

Advocates Urge EPA to Go Big in Court-Ordered Chemical Spill Rule

By Amena H. Saiyid, 3/29/18

Preventing all hazardous chemical spills ought to be the goal of an upcoming EPA rule rather than just focusing on a 2014 Freedom Industries Inc. spill that tainted West Virginia's water supplies, environmental groups say.

The best way to address the environmental and public health harms from hazardous chemical spills is to prevent them in the first place, Jared Knicley, staff attorney for Natural Resources Defense Council, told Bloomberg Environment.

"EPA's upcoming rule should focus on planning and prevention while also ensuring that those chemicals never reach bodies of water, and that the public is informed immediately about the spill and potential health risks," said Knicley, who represented a coalition of environmental groups that sued the EPA to issue a regulation for storing hazardous chemicals in above-ground tanks.

These groups are now waiting to see the content of the rule the Environmental Protection Agency is under a court-ordered settlement to propose by June 16 and finalize by Aug. 29, 2019. The regulation would spell out procedures, methods, and equipment that companies would need to prevent chemical spills from above-ground storage tanks.

The EPA didn't immediately respond to Bloomberg Environment's request for comment.

Settling Lawsuit

The EPA agreed to rulemaking to settle a lawsuit that a coalition of environmental groups—the Environmental Justice Health Alliance for Chemical Policy Reform, Natural Resources Defense Council, and People Concerned About Chemical Safety—filed in 2015. The coalition alleged the EPA violated the Clean Water Act by not setting spill prevention rules for above-ground storage of hazardous chemicals.

The EPA submitted on March 26 a draft proposed rule to the White House Office of Management and Budget that outlines measures companies must take to avoid hazardous chemical spills for above-ground storage tanks. Review by that office is typically one of the last steps before a proposal is released to the public.

The agency had proposed a rule 40 years ago to regulate chemical releases to nearby bodies of water under its water pollution permitting program, but never completed it.

The rule's absence was noticed following the 2014 rupture of an above-ground storage tank belonging to Freedom Industries, a chemical manufacturing company, that spilled 11,000-gallons of a toxic chemical, 4-methylcyclohexanemethanol, into West Virginia's Elk River, according to the Chemical Safety Board's May 2017 report.

That spill contaminated drinking water supplies for nearly 300,000 residents in eight counties.

Eastman Chemical Co., which sold the chemical to Freedom Industries, didn't respond to Bloomberg Environment's request for comment. West Virginia American Water, which had a drinking water intake pipe near the above ground storage tanks on the Elk River, also declined to comment on what to expect in the upcoming rule, except to say "we support any efforts to protect source water and make drinking water safer."

Eastman Chemical and West Virginia American Water in August 2017 agreed to a \$150 million class action settlement arising from the water crisis following the Elk River spill.

The Permitting Universe

The agency's rule-writing task has been complicated by the fact that it doesn't know the number of facilities nationwide that could potentially be subject to spill-prevention rules for storing hazardous chemicals.

The agency also doesn't receive reports on the specific types and amounts of hazardous chemicals that facilities store and use, but states and tribes do collect this data from companies under the Emergency Planning and Community Right-to-Know Act.

The EPA asked states and tribes in September to pass along information that companies submit about maximum, and average daily, amounts of chemicals they handle and store so it can be used to set standards.

Apart from the lawsuit, Congress also charged the EPA with evaluating the safety of thousands of substances in the 2016 update to the country's toxic chemicals law. And within that statute, Congress said the agency had to prioritize chemicals stored near "significant sources of drinking water."

The EPA has yet to decide what constitutes a significant drinking water source in its efforts to respond to Congress.

The Hill

<http://thehill.com/policy/energy-environment/380811-epa-pushes-informal-policy-to-deal-with-polluters-outside-of>
EPA pushes informal policy to deal with polluters outside courts

By Miranda Green, 3/29/18, 11:47 AM

The Environmental Protection Agency (EPA) is embracing an informal policy that would enable polluters to come to an agreement with the agency outside of the federal justice system.

Two memos, one from the DOJ and one from the EPA, are shedding light on the new policy, which officials are touting as a positive replacement to formal lawsuits, as the number of official cases brought against polluters is dropping to a new low.

In a March 12 letter sent to the chiefs of the Department of Justice's (DOJ) Environment and Natural Resources Division (ENRD), Acting Assistant Attorney General Jeffrey Wood highlighted a policy that would include "enhancing cooperative federalism," DOJ said in a letter released publicly on March 15.

The idea involves working with individuals or industries in violation of EPA regulations without taking them to court.

"In fact, many kinds of environmental violations can be, and often are, addressed and resolved without federal involvement," the memo reads.

The memorandum, meant as guidance to attorneys within the ENRD division, notes additional methods in which the DOJ could circumvent formal litigation with polluters, through methods of "adhering to the impartial rule of law," "exercising pragmatic decisionmaking" and "employing the full range of enforcement tools."

The new way of thinking aligns with EPA administrator Scott Pruitt's oft-mentioned "back to basics" approach to strip down regulations for clean air, water and land.

The memo further advises against apparent bias on polluters, warning: "As we seek to advance the rule of law through our enforcement work, we must do so impartially, without special treatment for, or animus against, any particular person, industry, group, or interest."

In early February, EPA's head of the Office of Enforcement and Compliance Assurance (OECA), Susan Bodine, sent a letter to staffers highlighting the EPA's new approach to polluters. The memo was sent days before the agency released its annual enforcement data, which showed a distinct drop in lawsuits brought and filed against polluters under the Trump administration.

"Some outside entities that are unfamiliar with the true nature of our work here in OECA and have tried to measure the worth of what you do simply through the dollar amount of federal penalties and the number of federal case initiations," she wrote in an office-wide email reviewed by The Hill.

"However it is also important for EPA to help and, if necessary, persuade states to take actions to address violations and informal actions can bring about a return to compliance more quickly."

EPA's numbers at the time revealed that polluters were fined a total of \$1.6 billion in penalties in fiscal year 2017 — about a fifth of the \$5.7 billion EPA penalties collected the year prior, under former President Obama.

More recently, criminal and administrative lawsuits filed by EPA against polluters show the agency to be on track to bring fewer suits in 2018 than the year before. In fiscal 2018 EPA filed just 154 administrative enforcement cases which is on trend to amount to nearly half of 2017's numbers and less than half of 2016's.

Politico

<https://www.politicopro.com/energy/whiteboard/2018/03/epa-reinstates-pay-caps-for-staffers-on-hurricane-duty-after-dhs-ends-surge-program-909753>

EPA reinstates pay caps for staffers on hurricane duty after DHS ends 'surge' program

By Emily Holden, 3/28/18, 4:52 PM

EPA is reinstating pay caps for employees after the Department of Homeland Security quietly deactivated a program that allowed workers from across the government to work overtime while deployed to areas devastated by last year's hurricanes, according to an email reviewed by POLITICO.

The memo says DHS on Feb. 5 ended its Surge Capacity Force program, under which federal government workers have been supporting disaster recovery in Texas, Florida, Puerto Rico and the U.S. Virgin Islands since August.

Those employees would continue to receive their regular pay and benefits from their home agency, but the Federal Emergency Management Agency would reimburse any eligible travel and overtime costs they incurred, according to a DHS webpage on the program. The page has not been updated since September, and DHS does not appear to have publicly announced its plans to end the program in February. DHS did not respond to requests for comment today.

Because DHS ended the program, EPA is reinstating a "biweekly maximum earning limitation," according to the memo emailed to department heads from Donna Vizian, principal deputy assistant administrator.

Employees earning overtime may have exceeded that ceiling, but it's unclear whether they will be paid for extra time worked since the beginning of February. In December, FEMA warned its own staffers that those earning overtime above annual statutory pay caps might have to pay the government back.

EPA did not respond to a request for comment.

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http://esweb.bna.com/eslw/display/no_alpha.adp?mode=si&frag_id=130717863&item=408&prod=deln&cat=AGENCY

Chemical Makers Worry Steep New EPA Fees Could Stifle Innovation

By Adam Allington, 3/29/18

Chemical manufacturers are concerned that hefty new EPA fees to support premarket reviews could stifle innovation and pose a barrier to bringing new chemicals to market.

A proposal would empower EPA to collect increased fees from chemical manufacturers and processors starting Oct. 1. The fees will allow the EPA to offset about \$20 million in annual costs for implementing certain sections of the revised Toxic Substances Control Act.

EPA Administrator Scott Pruitt, in a February news release announcing the statement, said the proposed fee changes would ensure that the agency has "sufficient resources to review chemicals for safety with the highest scientific standards."

But chemical makers worry the fees could discourage innovation, particularly for developing new chemicals.

"Notifications for new chemicals in TSCA usually don't have a market yet, so many companies won't be able to afford the fees EPA is talking about," said Martha Marrapese, a partner with Wiley Rein, a Washington-based law firm specializing in chemical regulation.

"There will be a significant impact on innovation if they don't keep fees as low as possible," Marrapese told Bloomberg Environment. "If it costs thousands of dollars in fees, and EPA can't review applications in timely way...companies won't register their chemical here, they'll go somewhere else to do it."

Sticker Shock

The original TSCA capped fees for premanufacture notices (PMN) at \$100 for small businesses and \$2,500 for larger companies generating about \$1.1 million annually. According to both industry and regulatory experts, there was general acknowledgment that the old levels—set three decades ago and never adjusted for inflation—needed to be substantially increased.

The new numbers on the table propose charging companies \$16,000 for each premanufacture notice, new use notice, or microbial commercial activity notice.

“It is a sticker shock—to go from \$2,500 to \$16,000 for each PMN,” said Rose Passarella, a senior scientific regulatory manager for Intertek, a Washington-based consultancy.

Another area of concern is the \$4,700 the EPA is now proposing to evaluate requests for exemptions such as low-volume or test marketing exemptions.

“We have a number of serious concerns regarding the proposal,” said Robert Helminiak, vice president of legal and government relations for the Society of Chemical Manufacturers and Affiliates, who's members include companies like Janssen Pharmaceuticals and BASF.

With exemptions, the EPA is applying substantial fees in an activity that has not historically had any assessment at all, and does not account for the market disruption it would cause, Helminiak said.

“EPA should not assess fees for processing these applications,” he told Bloomberg Environment. “EPA should instead include the costs of reviewing exemption applications in the aggregate overhead costs of administering TSCA.”

The Dow Chemical Co., PPG Industries Inc., and other companies contacted by Bloomberg Environment elected to defer comments about the new fees to their primary trade organization, the American Chemistry Council. That organization opted to withhold specific comments on the proposed fee structure until the end of the public comment period on April 27, according to an ACC spokesman.

PRIA Comparisons Not Accurate

The EPA already charges industry fees for pesticide registrations. But Marrapese of Wiley Rein said there are differences between the fees being discussed under TSCA and the ones collected under the Pesticide Registration Improvement Act of 2007 (PRIA).

“Pesticides are typically subject to a proprietary license, so companies are willing to invest more to pay for registrations,” Marrapese said.

Marrapese notes that a substantial amount of scientific data and information are required to support the registration of a pesticide. These data can be very costly to create, which is why Congress included provisions in PRIA that provide certain rights to the data submitter. TSCA however, contains no provisions for data compensation.

“Under TSCA, once a new chemical goes onto the inventory, anyone can make it,” she said.

High Enough?

EPA estimates the annual costs of carrying out testing on new and existing chemicals to be \$80.2 million.

The agency also plans to collect fees to recover a portion of costs incurred it incurred from conducting chemical risk evaluations that manufacturers requested. The EPA expects the fee amount will range between \$1.3 and \$2.6 million per chemical.

But some said the proposed fees are not high enough—especially considering the greater scrutiny the new law requires the EPA to give new chemicals.

“Historically, the great majority of PMNs received by EPA never go on to be commercialized,” said Richard Denison, lead senior scientist at the nonprofit Environmental Defense Fund.

According to EPA statistics, Denison said that of 40,000 PMNs reviewed over several decades, only about 14,000 went on to be commercialized, of which, only 5,300—or 13 percent—were subject to any kind of regulation or withdrawn by the submitter.

“This means that the great majority of PMNs were submitted with no meaningful intent by their manufacturers to commercialize them,” he told Bloomberg Environment.

“This is not about innovation. In most cases, the decision not to commercialize a chemical had nothing to do with EPA's decision about it—meaning, almost two-thirds of the time, EPA had to waste public resources reviewing new chemicals that companies had no intent to commercialize,” Denison said.

Focus on Exemptions

EPA officials have previously agreed with broad concern that higher fees for new chemical reviews “could create an economic barrier to innovation.”

Because of that, the agency proposed a two-tier fee structure under which small businesses would pay about 80 percent less. But the definition of “small business” could change, based on criteria such as annual sales.

“More than ever, I expect you'll start to see a growing premium on TSCA exemptions,” said Tom Berger, a partner with law firm Keller & Heckman LLP.

Companies could attempt to “consolidate exemptions” for things like test market R&D, or exemptions for low production volume chemicals, Berger said. “I think companies are going to start putting a lot more money into R&D, trying to get as much exemption as they possibly can,” before they decide to file with EPA.

Chemical makers could soften some of the sticker shock by filing more consolidated premanufacture notices, Berger said during a March 14 webinar on fees that Keller & Heckman held.

In some cases, companies can consolidate up to six new, similar chemicals on an individual PMN, the EPA's proposed fee rule said, and he urged companies to contact the agency to make sure their chemicals meet the law's criteria for consolidation.

Reuters

<https://www.reuters.com/article/us-usa-biofuels-trump-exclusive/exclusive-trump-advisers-urge-him-to-leave-biofuel-reforms-to-congress-sources-idUSKBN1H5291>

Exclusive: Trump advisers urge him to leave biofuel reforms to Congress - sources

By Jarrett Renshaw, 3/29/18, 11:05 AM

NEW YORK (Reuters) - President Donald Trump's advisers have urged him to leave U.S. biofuels policy reform efforts to Congress, after months of work to broker a quick-fix deal between rival corn and oil industries got bogged down in dispute.

The recommendation to back away underscores the difficulty of getting two key political constituencies to agree on the future of the U.S. Renewable Fuel Standard, a decade-old law that requires refiners to cover the cost of blending biofuels like corn-based ethanol into the fuel supply.

The law has created a big new market for farmers, but also a headache for refiners who say costs have soared in the last few years.

Trump's White House has hosted a series of meetings in recent months between representatives of the two sides. The meetings are aimed at finding executive- or administrative-level changes to lower the cost of the program to refiners, including capping the price of blending credits refiners need to prove compliance.

They follow failed efforts last year by independent refiners and billionaire investor Carl Icahn, who owns refining company CVR Energy, to convince the administration to overhaul the rule unilaterally.

Icahn came under fire early last year during a brief period when he was advising Trump, as he attempted to broker a deal with the biofuels industry to change the rule. He later ended his advisory role amid conflict-of-interest charges, and as those efforts produced forceful reactions from Iowa lawmakers, the nation's largest corn-producing state.

DIVISIONS

The White House efforts have further exposed gaping divisions between the corn and oil lobbies, and disagreement over the solutions between integrated refiners like BP and ExxonMobil and merchant refiners like PBF Energy.

That means any action by the White House will upset at least one faction of Trump's base, according to the sources, who asked not to be named as they were discussing a confidential matter.

Two of the sources said Trump had agreed to heed his advisers' recommendation to leave the issue to Congress, while also leaving open the option to act if Congress balks.

"This seems like the logical place to land, given all the unrest," said one of the sources.

The third source said it was not clear what Trump would do.

White House spokeswoman Kelly Love did not respond to a request for comment. Officials at the Environmental Protection Agency - which administers the RFS - and the U.S. Department of Agriculture also did not respond to requests for comment.

EPA head Scott Pruitt and Agricultural Secretary Sonny Perdue have been compiling a list of executive and administrative-level options for Trump to consider to tweak the RFS, the sources said.

Shifting the issue to lawmakers, however, would put the spotlight on Texas Republican Senator John Cornyn, who has been leading legislative efforts to reform the RFS.

Cornyn's office says it has been trying to win support from the corn and oil industries for a comprehensive reform bill that is still being drafted.

Underscoring the stakes, merchant refiner Philadelphia Energy Solutions filed bankruptcy in January, blaming the cost of compliance for its financial woes.

Reuters reported that other factors may also have played a role in the bankruptcy, including the withdrawal of more than \$590 million in dividend-style payments from the company by its investor owners.

E&E Greenwire

<https://www.eenews.net/greenwire/stories/1060077729/search?keyword=EPA>

5 things to know about EPA rollback of Obama rules

By Maxine Joselow, 3/29/18

U.S. EPA plans to issue a draft decision by Sunday that Obama-era clean car rules are too aggressive and should be relaxed.

The decision stands to affect millions of cars and ratchet up pollution from the transportation sector, which recently replaced the power sector as the country's largest source of greenhouse gas emissions.

The Washington rumor mill has been churning about the timing of the decision, with some saying Administrator Scott Pruitt will make an announcement tomorrow and hold an event Tuesday. EPA spokeswoman Liz Bowman declined to comment on the timing: "I don't have any information to share at this time on any pending announcements," she said.

Here are five things to know before the decision:

What's up for consideration?

EPA is considering rules for tailpipe emissions from cars and light-duty trucks made from 2022 to 2025.

The rules, known as corporate average fuel economy (CAFE) standards, set the ambitious goal of boosting fuel economy to a fleet average of 54.5 mpg by 2025. That's roughly equivalent to 36 mpg in real-world driving.

Facing pressure to reduce the country's reliance on oil after the 1973 Arab oil embargo, Congress first enacted CAFE standards in 1975.

In 2011, California and the Obama EPA reached an agreement with automakers for fuel economy standards by 2025, but they included a provision for a "midterm review" in 2018 (halfway between 2011 and 2025) to see whether the standards were feasible. EPA is now conducting that midterm review, and the deadline for announcing whether it wants to keep or weaken the standards is April 1.

The first step of the midterm review was a technical paper from EPA, the National Highway Traffic Safety Administration and the California Air Resources Board (CARB) assessing whether industry can meet the proposed standards. The paper found that the industry had been doing a good job of innovating but that 50 mpg was a more realistic standard than 54.5 mpg.

What's up with California?

Under Section 209 of the Clean Air Act, EPA can grant California a waiver to set its own, more stringent standards. Since the passage of the Clean Air Act, EPA has issued the state more than 100 waivers, and none has been rescinded.

Meanwhile, under Section 177 of the Clean Air Act, other states can sign on to California's standards in lieu of the federal standards. Thirteen states and the District of Columbia currently follow California's standards, representing about 40 percent of new vehicles sold in the country.

Experts say EPA must compromise with California on fuel economy rules if it's serious about having one national program, which would provide automakers with regulatory certainty.

Bill Wehrum, head of EPA's Office of Air and Radiation, met this week with Mary Nichols, who heads CARB (Climatewire, March 29).

Nichols has signaled a willingness to compromise on 2025 standards in exchange for deciding on 2030 targets.

CARB spokesman Stanley Young said in an email, "We are troubled about the rumors that the EPA has found the standards to be too aggressive and that they need to be weakened."

Young added, "California paved the way for a single national program and is fully committed to maintaining it. However, we feel that this rumored finding — if official — places that program in jeopardy. We feel strongly that weakening the program will waste fuel, increase emissions and cost consumers more money. It's not in the interest of the public or the industry."

What has Pruitt said about California?

Pruitt is in a bit of a pickle when it comes to California's waiver (Climatewire, March 23).

On the one hand, he's repeatedly advocated for states' rights as head of the agency. On the other, he's talked tough about the state's ability to set its own limits (E&E News PM, March 13).

Realistically, it's pretty unlikely that Pruitt would seek to rescind California's waiver, said Dan Becker, director of the Safe Climate Campaign.

If EPA sought to rescind the waiver, "my guess is they would end up in court, and it would take a couple of years, and California would win," Becker said.

What does industry want?

One of the largest lobbying groups for automakers is staying publicly neutral about EPA's plans to relax the fuel economy standards (Greenwire, March 26).

Gloria Bergquist, a spokeswoman for the Alliance of Automobile Manufacturers, declined to comment on EPA's decision.

Asked whether the alliance would support less stringent standards, Bergquist said that while current market conditions make it hard for automakers to reach the Obama-era standards, the industry must reduce greenhouse gas emissions to combat climate change.

"We believe that climate change is real and that we are taking steps to reduce carbon emissions," Bergquist said. "Of course, carbon is formed through combustion. So if you burn less gasoline, you produce less carbon. So higher fuel economy is helpful."

Companies that belong to the Alliance of Automobile Manufacturers, including General Motors Co. and Fiat Chrysler Automobiles NV, referred requests for comment to the alliance.

But Ford Motor Co. Executive Chairman Bill Ford Jr. and President and CEO Jim Hackett wrote in a blog post Tuesday, "We support increasing clean car standards through 2025 and are not asking for a rollback. We want one set of standards nationally, along with additional flexibility to help us provide more affordable options for our customers."

Mary Barra, chairwoman and CEO of General Motors Co., met with Pruitt and Transportation Secretary Elaine Chao on fuel economy standards earlier this month (E&E News PM, March 14).

Barra said in a speech at the CERAWEEK energy conference on March 7: "Our commitment to an all-electric, zero-emissions future is unwavering, regardless of any modifications to future fuel economy standards."

What do enviros want?

"We want to see no harm done to the current standards," said Becker of the Safe Climate Campaign.

"The best results from this administration could be leaving the standards alone," he said. "But even that seems wildly optimistic."

Zoe Lipman, director of the vehicles and advanced transportation program at the BlueGreen Alliance, said she wishes EPA would keep the current standards because of their demonstrated economic benefits.

"Leadership on fuel economy has really driven enhanced innovation and investment and boosted manufacturing and jobs," Lipman said. "It's enhanced the auto industry's recovery above and beyond what we would have seen otherwise."

The United States risks losing its edge in the global race to develop the next generation of cars, she added. "All over the world, we're seeing other countries move very quickly to speed investment and innovation in these technologies and the next generation of vehicles."

Politico

<https://www.politicopro.com/agriculture/whiteboard/2018/03/stepp-recused-from-major-air-decision-affecting-foxconn-plant-in-wisconsin-915223>

Stepp recused from major air decision affecting Foxconn plant in Wisconsin

By Annie Snider, 3/29/18, 12:21 PM

EPA's top political official for the Great Lakes will not be allowed to weigh in on a major air pollution decision impacting a manufacturing plant heralded by the Trump administration.

Region 5 Administrator Cathy Stepp, who previously ran Wisconsin's Department of Natural Resources, is recused from working on a number of matters she dealt with in her old job, according to an ethics agreement released under the Freedom of Information Act. That includes a one-year recusal from weighing in on ozone designations and plans for four Wisconsin counties, including Racine.

Racine is where the technology company Foxconn plans to build a massive LCD manufacturing plant after being wooed by Gov. Scott Walker with a \$4 billion incentive package and promises of environmental exemptions.

But in December, EPA said it planned to find a key portion of the state in violation of tougher new ozone pollution requirements — a finding that would require factories like Foxconn to invest in expensive, state-of-the-art pollution controls. The Foxconn factory would present a major new pollution source to the area, and Walker has asked EPA to reverse or revise its finding, according to the Milwaukee Journal Sentinel.

In addition to the ozone decision, Stepp is also barred for one year from weighing in on enforcement matters relating to animal feeding operations and state petitions under the Safe Drinking Water Act. She is permanently barred from involvement with the state's Clean Water Act permits for large dairy operations and a plan to deal with the state's phosphorus pollution problem.

WHAT'S NEXT: Stepp will not be allowed to participate as EPA weighs whether to find Wisconsin in violation of the ozone standard.